

31A-36-117 Antifraud initiatives.

- (1) The following shall establish and maintain antifraud initiatives which are reasonably calculated to prevent, detect, and assist in the prosecution of violations of Section 31A-36-113:
 - (a) a life settlement provider; and
 - (b) an agency that is a life settlement producer.
- (2) The commissioner may order, or a licensee may request and the commissioner may approve, modifications of the measures otherwise required under this section, more or less restrictive than those measures, as necessary to protect against fraud.
- (3) Antifraud initiatives shall include:
 - (a) fraud investigators, that may be either:
 - (i) employees of a life settlement provider or life settlement producer; or
 - (ii) independent contractors;
 - (b) an antifraud plan submitted to the commissioner, which shall include:
 - (i) a description of the procedures for:
 - (A) detecting and investigating possible violations of Section 31A-36-113; and
 - (B) resolving material inconsistencies between medical records and applications for insurance;
 - (ii) a description of the procedures for reporting possible violations to the commissioner;
 - (iii) a description of the plan for educating and training underwriters and other personnel against fraud; and
 - (iv) a description or chart of the organizational arrangement of the personnel responsible for detecting and investigating possible violations of Section 31A-36-113 and for resolving material inconsistencies between medical records and applications for insurance.
- (4) A plan submitted to the commissioner shall be classified as a protected record under Title 63G, Chapter 2, Government Records Access and Management Act.

Amended by Chapter 355, 2009 General Session